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SENSITIVE
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SUBJECT: INDIA'S DOMESTIC POLITICAL LANDSCAPE AFTER THE
CONFIDENCE VOTE

REF: A. NEW DELHI 2012

[1](#)B. NEW DELHI 1990

[1](#)1. (SBU) Summary: Following a dramatic July 22 confidence vote (Ref A), the political fallout has produced an emboldened United Progressive Alliance (UPA), a demoralized National Democratic Alliance (NDA), and somewhere in between, a regional party amalgam "Third Front," struggling to achieve national prominence. The Congress Party-led UPA government's victory breathed new life into the ailing coalition. The Bharatiya Janata Party's (BJP) momentum, which had been building after a string of electoral wins, has been at least momentarily halted. Defections to the UPA exposed the BJP's poor political management. The Left, which prompted the vote by withdrawing support for the UPA, was dealt a severe blow. Meanwhile, the politicking that surrounded the confidence motion heralded the national arrival of Uttar Pradesh Chief Minister and Bahujan Samaj Party (BSP) leader Mayawati, who emerged as the head of the new ten party Third Front. While leadership for this new Third Front will come from the populist Mayawati, its intellectual heft will likely come from the Left. With national elections due by next May, the three alliances have begun staking out their political territory. Domestically, the UPA and the NDA both favor economic reform with only the Left wedded to India's arch-socialist past. On the foreign policy front, the groups follow three broad schools of thought (Ref A). With India's diverse and fractured polity, signals point to a 2009 national campaign as tumultuous as the confidence vote, followed by, more than likely, another coalition government. End Summary.

Embodened UPA

[1](#)2. (SBU) Prime Minister Singh clearly emerged from the July 22 confidence vote as the biggest winner. India's news outlets played the chorus "Singh is King" throughout the days following the vote. The successful confidence motion pumped life back into the Congress Party, which had been reeling from a string of electoral defeats in Himachal Pradesh, Gujarat and Karnataka. The UPA defeated the turncoat Left and the opposition BJP, and deflated Mayawati's premature prime ministerial bubble. But the UPA relied on abstentions and defectors from a handful of regional parties as well as the BJP to win its slim majority and must now solidify these gains. Though it suffered six defections of its own, the

Samajwadi Party's (SP) support made victory possible. Observers expect minor cabinet additions to reward smaller parties that supported the government. Newly unencumbered by the Left, Finance Minister Chidambaram promised more economic liberalization. But with rising inflation and national elections around the corner, the short-term dislocation that often accompanies economic reforms will likely temper the more ambitious aspects of the UPA's plans (Ref B). Furthermore, any spending bill or legislative change would require testing the UPA's fragile majority once again through another parliamentary vote.

Next Generation Leaders Emerge as Stars

13. (SBU) Typically critical local media commended Rahul Gandhi's performance in the floor debate and his compassionate advocacy for energy security as a means to alleviate poverty, and for his plea for India to think about how it can impact the world rather than just how the world impacts India. The Congress Party scion emerged from the debate looking more like the prime ministerial candidate he is one day likely to become. Another "youngster," Jammu and Kashmir National Conference (J&KNC) MP Omar Abdullah received even higher praise from the press after his short but passionate speech in favor of the UPA and against the BJP and the Left. Earnestly shouting, "I am a Muslim and I am an Indian, and I see no distinction between the two," Abdullah excoriated the BJP for the Gujarat riots and denounced the Left for trying to portray the nuclear deal as anti-Islamic. He said the enemies of Indian Muslims are not to be found in

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the nuclear initiative, but rather in poverty, hunger, and illiteracy. The J&KNC is not a member of the UPA but has aligned with the Congress in the past. His national profile raised, Abdullah returned to J&K a hero as that state heads to state elections this fall.

Demoralized BJP

14. (SBU) The BJP had been steadily gaining electoral momentum over the last year with state-level victories in Himachal Pradesh, Gujarat and Karnataka. With public anti-incumbency sentiment increasing, rising inflation and the UPA's reform agenda stalled by its leftist supporters, many observers thought the BJP held a winning hand going into national elections. But the party's listless attack on the nuclear initiative failed to resonate, and the cash-on-the-floor stunt showed the desperation of a party that knew it was going to lose. The defection of eight MPs - many of whom faced delimitation - further displayed the party's weakness in retail politics and experienced political management which in the end delivered the UPA's victory.

15. (SBU) The BJP is committed to a strong, broad relationship with the U.S., including at least in principle civil nuclear cooperation. The party, as a scolding editorial in the conservative Pioneer read, "needs to move far away from the pointless and counterproductive nuclear debate and focus on stitching together social coalitions, tying up state alliances and deciding upon and articulating its programmatic content." The bribery theatrics and halfhearted nuclear initiative opposition only opened the door for Mayawati to lay claim to the title "leader of the opposition."

Fourth Attempt at a Third Front

16. (SBU) In the days leading up to the confidence vote, Uttar Pradesh Chief Minister Mayawati spearheaded an effort to bring numerous small undecided parties into a Third Front opposition. Though the campaign ultimately failed, the buzz it generated marked her arrival on the national stage. The morning after the confidence motion, leaders of ten regional

parties, including the four parties of the Left Front, met at Mayawati's Delhi residence and pledged unity in a common campaign against the UPA on the issues of "price rise, agrarian distress, Indo-U.S. nuclear deal, communal forces and the gross misuse of government institutions like the CBI (Central Bureau of Investigation) for political purposes."

17. (SBU) Representing roughly 100 MPs, the leaders did not announce a formal pre-poll alliance nor did they give any details about the nature of the coming campaign. When asked if the group elected a leader, Mayawati responded, "We are all leaders in our own right." Communist Party leader Prakash Karat told the press "We have come together to conduct a campaign; the rest will be decided later." The challenge for the multi-party third front movement will be to bridge the caste-based appeals of the supremely opportunistic Mayawati and the ideological class-based politics of the Left.

This Round to UPA, Coalition Politics Remain

18. (SBU) The UPA's resounding and much needed victory brought an end to a string of BJP electoral successes over the last year. The BJP, shaken by the defection of eight MPs, still has plenty of time to regroup and regain its lost momentum with several state elections due this fall. On the Left, Communist leader Karat misread the Indian electorate at every step and his party's expulsion of Lok Sabha Speaker Somnath Chatterjee - the one statesmanlike figure to emerge from the cash-for-votes debacle - has left many party members questioning his judgment. For now Karat has been reduced to playing second fiddle to Mayawati in a new, still coalescing Third Front. Just three days after the confidence vote, West Bengal native Pranab Mukherjee, the Congress Party's principle Left interlocutor, told The Indian Express, "When a

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relationship breaks, naturally in the initial stage there will be some exchange of views, but in politics, nothing is permanent. There are always situations and circumstances that change." Though Mukherjee was speaking in a Congress-Left context, his remarks rings true for all Indian politics. The July 22 confidence vote gave a preview of things to come. Shifting alliances will dominate the 2009 election campaign with a coalition government the nearly inevitable outcome.

WHITE